

Office Market Outlook

Inland Empire Q3 2025

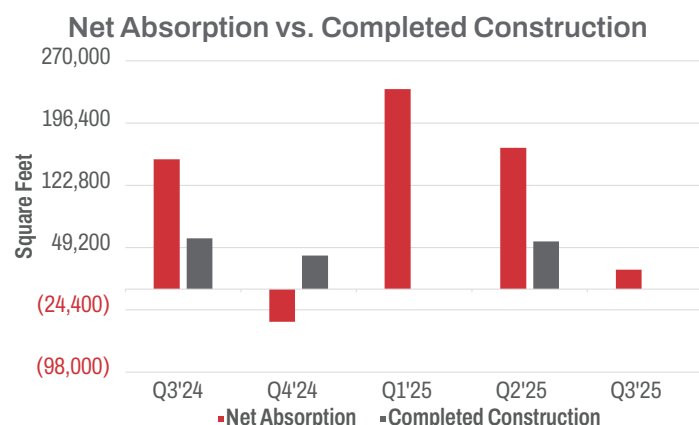
MARKET STATISTICS*

Submarket	Existing Total RBA (SF)	Under Construction (SF)	Total Available (%)	Total Vacancy (%)	Leasing Volume (SF)	YTD Leasing Volume (SF)	Sales Volume (SF)	YTD Sales Volume (SF)	Average Asking Rent (\$/SF FSG)	Average Sale Price (\$/SF)
Airport	14,169,969	6,450	7.8%	6.0%	164,386	460,199	53,472	168,146	\$2.36	\$340
High Desert	5,465,521	0	4.7%	3.0%	21,944	59,328	69,228	155,616	\$1.29	\$161
Riverside	19,064,157	116,384	7.6%	5.1%	121,580	424,267	35,639	226,638	\$2.42	\$216
San Bernardino	15,069,112	0	5.3%	4.1%	46,910	243,136	16,560	246,971	\$2.11	\$185
South	8,356,432	32,292	6.3%	4.3%	79,889	247,247	33,781	61,247	\$2.58	\$100
West	4,320,022	11,148	7.5%	5.9%	43,147	134,928	123,247	227,144	\$2.47	\$268
Inland Empire	66,445,213	166,274	6.7%	4.8%	477,856	1,569,105	331,927	1,085,762	\$2.32	\$212

* RBA includes office buildings of all sizes and classes. Rents reflect buildings of 20,000 square feet or greater.

LEASING TRENDS

In 2025, net absorption has trended lower, yet the office market maintained momentum with 542,349 square feet of positive net absorption year-to-date, unaffected by the addition of only 56,720 square feet of newly completed construction.

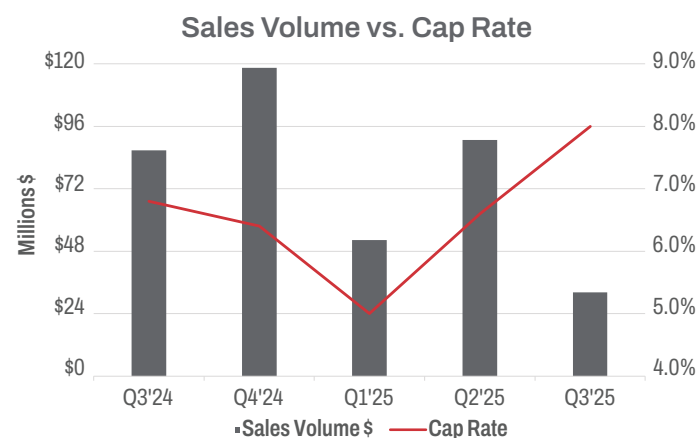


Select Lease Transactions

Tenant	Address	City	Submarket	SF
PBK	10760 4th S	Rancho Cucamonga	Airport	24,656
Think Together	760 Via Lata	Colton	San Bernardino	12,000
Nuvia Dental	1595 Spruce St	Riverside	Riverside	11,882
Clark Pacific	2855 E Guasti Rd	Ontario	Airport	8,015
Camblin Steel Services	9130 Anaheim Pl	Rancho Cucamong	Airport	7,541

SALES TRENDS

In Q3 2025, total sales volume declined by 64.5% compared to Q2. Year-to-date sales volume also fell 36.3% year-over-year, reflecting a shifting outlook among users and investors for office space. The average cap rate reached 8.0%, representing a 120-basis-point increase from the prior year..



Select Sales Transactions

Tenant	Address	City	Submarket	SF
Apple Bear Plaza Llc	19333-41 Bear Valley Rd	Apple Valley	High Desert	33,298
Rrp Holdings Llc	9333 Fairway View Pl	Rancho Cucamonga	Airport	14,000
Vuminbox International Trade Limited	2151 S Haven Ave	Ontario	Airport	13,426
North Park Centre Office LLC	15447 Anacapa Rd	Victorville	High Desert	13,068
Mckinley Home Foundation	3292 Dartmouth St	Hemet	South	12,230